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Attorneys for Debtors
and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11
: Case No. 08-13555 (JMP)
LEHMAN BROTHERS HOLDINGS INC., et al., :
: Debtors. : (Jointly Administered)
:
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**STIPULATION AMENDING THE EFFECTIVE
DATE OF THE EMPLOYMENT AND RETENTION
OF REED SMITH LLP AS SPECIAL COUNSEL TO
THE DEBTORS NUNC PRO TUNC TO JUNE 1, 2010**

This stipulation (“Stipulation”) is entered into by and among Reed Smith LLP (“Reed Smith”), Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above referenced chapter 11 cases, as debtors and debtors in possession (together, the “Debtors”), and the Office of the United States Trustee for the Southern District of New York (collectively, the “Parties”), to amend the effective date of the employment and retention of Reed Smith as special counsel to the Debtors *nunc pro tunc* to June 1, 2010.

RECITALS

A. On June 22, 2010, the Debtors filed their Application of the Debtors Pursuant to Section 327(e) of the Bankruptcy Code and Rule 2014 of the Federal Rules of Bankruptcy Procedure for Authorization to Employ and Retain Reed Smith LLP, as Special

Counsel to the Debtors (the “Application”) and the Declaration of Carolyn H. Rosenberg on Behalf of Reed Smith LLP in Support of Debtors’ Application for Authorization to Employ and Retain Reed Smith LLP, as Special Counsel to the Debtors. [Docket No. 9722]. The Debtors requested authorization to engage Reed Smith LLP as special counsel with respect to directors’ and officers’ liability insurance coverage.

B. On July 21, 2010, this Court approved the Application by way of its Order Pursuant to Section 327(e) of the Bankruptcy Code Authorizing the Employment and Retention of Reed Smith LLP, as Special Counsel to the Debtors (the “Retention Order”). [Docket No. 10343]. The Retention Order states that “the Debtors are hereby authorized to employ and retain Reed Smith LLP as special counsel to the Debtors on the terms set forth in the Application. . . .” Retention Order, at 2.

C. The Debtors and Reed Smith, did not request *nunc pro tunc* approval in the abundance of caution, therefore Reed Smith’s employment and retention as special counsel was effective upon entry of the Retention Order.

D. To ensure Reed Smith is compensated for all of its services rendered to the Debtors, the Parties request Reed Smith’s retention be made effective *nunc pro tunc* to June 1, 2010. The Debtors submit that the significant work Reed Smith performed at their request, prior to entry of the Retention Order, was necessary and provided value to the Debtors and their respective estates, thereby warranting retroactive approval.

AGREEMENT

E. Reed Smith’s retention as special counsel to the Debtors shall be effective *nunc pro tunc* to June 1, 2010.

F. In all other respects the terms of the Retention Order shall remain in full force and effect.

G. This Stipulation is subject to approval of the Court and shall be of no force and effect unless and until it is approved.

[*Signature Page Follow*]

Dated: August 16, 2010
New York, New York

By: /s/ Richard P. Krasnow

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*Attorneys for Lehman Brothers Holdings,
Inc. and its Affiliated Debtors and Debtors-
in-Possession*

Dated: August 16, 2010

By: /s/ Carolyn Rosenberg

Carolyn Rosenberg
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*Special Counsel for Lehman Brothers
Holdings, Inc. and its Affiliated Debtors
and Debtors-in-Possession*

NO OBJECTION

Tracy Hope Davis
Acting United States Trustee

By: /s/ Andrew D. Velez-Rivera
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33 Whitehall Street, Suite 2100
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Trial Attorney

SO ORDERED:

Dated: New York, New York
September 21, 2010

s/ James M. Peck
HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE